

(3) Duplication of current services;
 (4) Routine administrative activities not allowed under Federal Management Circular FMC 74-4, "Cost Principles Applicable to Grants and Contracts with State and Local Governments;"

(5) Planning for areas other than approved designated areas;

(6) Planning other than growth management and housing planning; or

(7) Political activities.

(b) Grant funds for site development may not be used for:

(1) Construction, repair, or rehabilitation of housing and public facilities;

(2) Replacement of, or substitution for, any financial support previously provided or assured from any other source which would result in a reduction of effort on the part of the applicant;

(3) Administrative expenses not allowed under FMC 74-4;

(4) Purposes for which funding exists under other State or Federal programs that may reasonably be obtained on a timely basis by the applicants;

(5) Duplication of current services; or

(6) Political activities.

§ 1948.60 Delegation and redelegation of authority.

The FmHA or its successor agency under Public Law 103-354 State Director is responsible for implementing the authorities contained in this subpart and may issue State supplements re-delegating these authorities to appropriate FmHA or its successor agency under Public Law 103-354 employees.

§ 1948.61 State supplements and guides.

FmHA or its successor agency under Public Law 103-354 State Directors will obtain National Office clearance for all State supplements and guides in accordance with paragraph VIII of FmHA Instruction 021.2, (available in any FmHA or its successor agency under Public Law 103-354 office).

(a) *State supplements.* State Directors may supplement this subpart as appropriate to meet State and local laws and regulations and to provide for orderly application processing and efficient service to applicants. State supplements shall not contain any requirements pertaining to designations, des-

ignation approval, or plan approvals more restrictive than those in this subpart.

(b) *State guides.* State Directors may develop guides for use by applicants if the guides to this subpart are not adequate. State Directors may prepare guides for: items needed for the application; items necessary for the docket; and items required prior to grant closing or construction starts.

§ 1948.62 Environmental impact requirements.

(a) The policies and regulations contained in subpart G of part 1940 of this chapter apply to grants made and other actions under this program.

(b) Subsequent to an energy impact area designation by the Governor and establishment of priorities, the FmHA or its successor agency under Public Law 103-354 State Director, in consultation with the Governor, shall define the geographic boundaries or otherwise delineate the areas which will be studied for environmental impacts.

(c) Boundaries shall define the area within which the environmental impacts of the proposed action can be reasonably studied. Proper delineation of impact areas will avoid duplication of effort by using one assessment or impact statement to study a broad area rather than numerous overlapping documents prepared for smaller projects.

[44 FR 35984, June 19, 1979, as amended at 49 FR 3764, Jan. 30, 1984]

§ 1948.63 Historic preservation requirements.

The policies and regulations contained in part 1901, subpart F, of this chapter apply to this program.

§ 1948.64 Equal opportunity requirements.

The policies and regulations contained in part 1901, subpart E, of this chapter apply to grants made under this program.

§ 1948.65 Relocation Act requirements.

The policies and regulations contained in title 7, subtitle A, part 21 of the Code of Federal Regulations (Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970) will apply to site development and